



STATE OF CALIFORNIA

STATE BOARD OF EQUALIZATION

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Executive Secretary

No. 80/157

October 24, 1980

TO COUNTY ASSESSORS:

APPLICATION OF PENALTY FOR NONREPORTING OF
CHANGE IN OWNERSHIP

Questions have been raised concerning the proper method for calculating the amount of the penalty for failure to comply with change in ownership reporting requirements (Article 2.5 of the Revenue and Taxation Code) when the property transferred consists of more than one assessor's parcel. Should a separate penalty be calculated for each parcel or should one penalty be calculated for the entire property transferred?

Under current law, the penalty is levied on the "real property" transferred. The property transferred is defined by the legal description on the transfer document (the deed), and the assessor's parcel numbers have no legal standing as property descriptions. Therefore, it is the Board's position that one penalty is calculated for the property transferred (as indicated on the transfer document) regardless of the number of assessor's parcels involved. When two or more separate properties are transferred by a single deed and the assessor has requested separate change in ownership statements for each property, noncompliance with any of the requests would still generate one penalty calculated on the basis of the total property transferred by the deed. However, if one document transfers properties in different counties, there should be a penalty in each county where failure to file the requested information occurs. The penalty would be \$100 or 10 percent of the taxes on the property in the county where the filing was not made.

If you have any questions regarding this subject, please refer them to our Technical Services Section; their telephone number is (916) 445-4982.

Sincerely,

Verne Walton
Verne Walton, Chief
Assessment Standards Division

VW:sk

CHANGE IN OWNERSHIP

220.0542 **Penalty for Failure to File Statement.** Revenue and Taxation Code section 482(d) provides that the penalty is to be added to the roll in the same manner as special assessments are. Since special assessments are usually entered on the secured roll, such penalties should be also. C 11/26/82.